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OFFICE OF THE SECRETARY OF THE TREASURY
WASHINGTON, D.C. 20220

82-5480/22

August '9, 1982

DDI-1561-52

NSC review completed - may be declassified in full

SECRET ATTACHMENT

MEMORANDUM FOR:	State	- Mr. L. Paul Bremer, III	
	OPD	- Mr. Les Denend	
	NSC	- Mr. Michael O. Wheeler	
	Agriculture	- Mr. Raymond Lett	
	CIA	- [REDACTED]	STAT
	Commerce	- Mrs. Helen Robbins	
	Defense	- Col. John Stanford	
	USTR	- Mr. Dennis Whitfield	
	CEA	- Mr. William Niskanen	
	OMB	- Mr. William Schneider	

Subject: Interagency Group on International Economic Policy

Attached are the minutes of the August 3 IG meeting and a list of attendees.

Joanna L. Shelton
for David E. Pickford
Executive Secretary

Attachments

DHS Review Completed.

SECRET ATTACHMENT

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MINUTES
INTERAGENCY GROUP ON
INTERNATIONAL ECONOMIC POLICY
Tuesday, August 3, 1982
9:00 - 10:00 AM

Mr. Leland opened the meeting by reporting that the SIG had asked for additional material on the pipeline sanctions. The SIG members wanted to examine such issues as products covered by the sanctions and options available to the United States. The IG should try to pull these issues together for discussion by the SIG on Wednesday, August 4. There might be an NSC meeting on Friday, August 6, but that was not yet decided.

Mr. Leland proposed that the IG supply five papers to the SIG:

1. A history of sanctions against the Soviet Union. This should include a description of the products covered, and which of those are available only from U.S. sources, subsidiaries, or licensees. (Commerce to draft)
2. A paper on the legal issues involved based on the earlier paper done by the four General Counsels. (Commerce and State to draft)
3. A paper on alternative energy sources from Europe. (NSC provided the paper)
4. Analysis of the impact of the sanctions on the timing of the completion of the pipeline and the impact on the Soviets. (CIA provided the paper)
5. Paper on likely reactions by the allies and possible reactions by the United States. They should be limited to actions authorized by the Export Administration Act. (Commerce and State to prepare paper)

Mr. Brady suggested that the Wednesday meeting concentrate on point 5, appropriate U.S. response to European actions. Mr. Leland thought it important that the SIG members have the overall picture before considering options. Mr. Brady also pointed out that it would be very difficult to identify what products covered by the sanctions could be obtained from other sources.

In considering the paper on legal issues, it was agreed that State would concentrate on foreign and international law (Mr. Robinson asked for any information anyone might have on German and Italian law). Commerce would concentrate on U.S.

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- 2 -

law. Mr. Unger of Commerce stressed the importance of obtaining copies of all the relevant contracts. Mr. Robinson recommended that the group stop using the term "extraterritorial." What was at issue was a conflict of jurisdiction of the laws of different countries. The papers, Mr. Leland said, should not make political judgments. Those judgments should be left to higher levels.

Other items touched on during the meeting were what actions the U.S. could take to help Europe; whether a broader paper was needed which presented our objectives in relation to the Soviets over the long term and how to achieve them; the effect on the Soviets of the sanctions; and which would be the first country to test legally the sanctions.

The IG agreed that drafters should supply the papers requested by Mr. Leland by COB, August 3, for circulation early Wednesday, August 4. The broader option paper, which will cover options beyond the Export Administration Act, would be prepared later.



Marc E. Leland, Chairman

Classified by Marc E. Leland
Review for Declassification on
August 3, 1988

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NSC review completed - may be declassified in full

~~INTERAGENCY GROUP ON INTERNATIONAL ECONOMIC POLICY~~

Tuesday, August 3, 1982

9:00 a.m.

Room 4125 MT

List of Attendees

Marc E. Leland	Treasury	566-5363
Richard M. McCormack	State	632-2341
Thomas Niles	State	632-1566
Donald Goldstein	Defense	695-3554
Allan Tracy	Agriculture	447-2593
Lionel Olmer	Commerce	
(Larry Brady)		377-1455
Phil Du Sault	OMB	395-4770
Maurice Ernst	CIA	
(Harry Rowen)		
Dennis Whitfield	USTR	395-3204
Henry Nau	NSC	395-6961
Norman Bailey	NSC	395-4985
Les Denend	OPD	456-6402
Roger Robinson	NSC	395-3622
Stephen Bryen	OSD	697-9347
Cpt. Keith Otaman	OJCS	695-4622
Bill Barreda	Treasury	566-5303
Leonard Santos	Treasury	566-8416
Robert Cornell	Treasury	566-2748
Davis Robinson	State	632-9598
Sherman Unger	Commerce	377-4772
Scott Sullivan	Commerce	377-1455
Peter Wallison	Treasury	566-2093
Bill Root	State	632-0964
Pamela Breed	Commerce	377-5311
Richard Elliott	State	632-0349

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